

# ARBITRATION CERTIFICATION PROGRAM

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# 2002 ANNUAL CONSUMER SATISFACTION SURVEY

#### **OVERVIEW**

Pursuant to Business and Professions Code §472.4 and Section Title 16, California Code of Regulations §3399.5(a)(5), the Arbitration Certification Program (ACP) conducts an annual survey. The purpose of the survey is to measure consumer satisfaction with the arbitration <u>process</u>. The survey is not intended, <u>nor does it include</u>, the satisfaction of the many consumers who have had problems satisfied through early contact with dealers, manufacturers' customer service representatives, or other mediation efforts.

ACP also uses the survey as a monitoring mechanism to ensure that certified arbitration programs comply with state and federal requirements. ACP discusses the survey findings with each certified arbitration program, requesting corrections to the process when necessary.

ACP surveyed consumers who utilized state-certified arbitration programs to resolve warranty disputes <u>after</u> consumers received notification of decisions. ACP mailed 2,475 questionnaires achieving a 31% response rate.

Consumer responses to the survey were sorted according to state-certified arbitration program as follows:

# **BBB AUTO LINE (BBB)**

AM General (Hummer), General Motors, Honda/Acura, Hyundai, Isuzu, Nissan/Infiniti, Porsche, Range Rover/Land Rover, Rolls Royce/Bentley, Saab, Saturn and Volkswagen/Audi

# **Customer Arbitration Board (CAB)**

DaimlerChrysler Corporation (Chrysler, Dodge, Eagle, Jeep, Plymouth)

# **Dispute Settlement Board (DSB)**

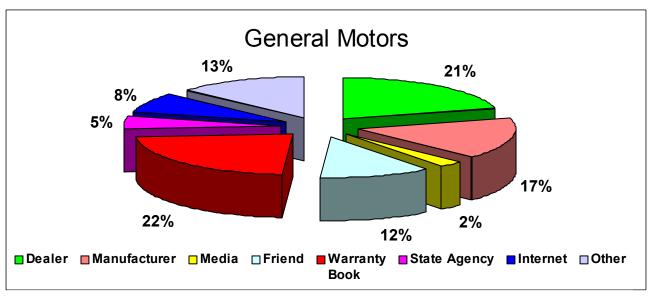
Ford Motor Company (Ford, Lincoln, Mercury)

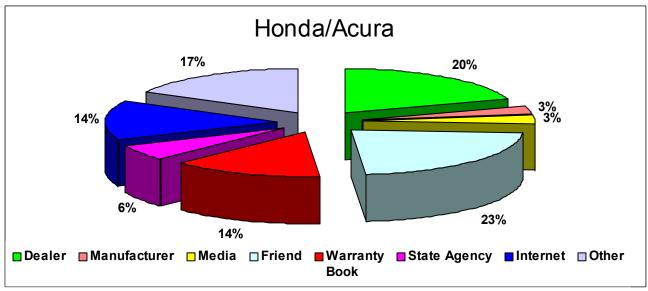
## **RESULTS**

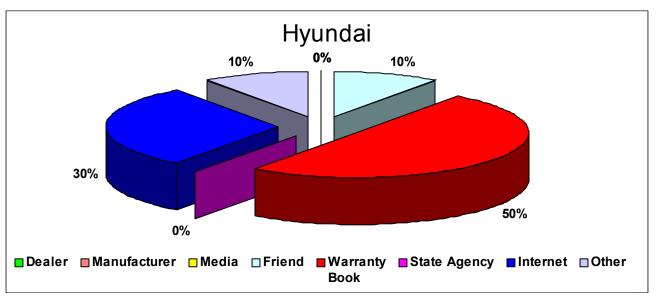
The results of ACP's 2002 Consumer Satisfaction Survey are listed on the following pages. Each survey question is listed along with consumer responses. The percentage of yes and no responses to each question is included to facilitate comparisons of the results.

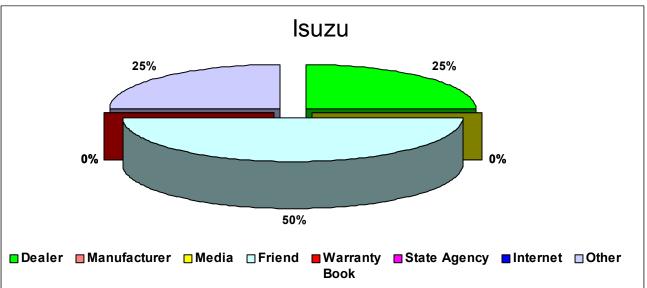
# QUESTIONNAIRES COMPLETED AFTER CONSUMERS RECEIVED NOTIFICATION OF THEIR DECISIONS

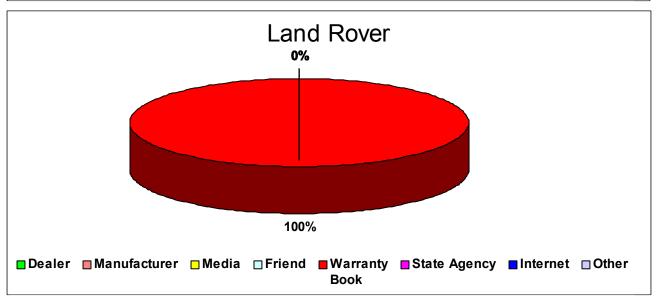
Question 1: How did you learn about the state-certified program?

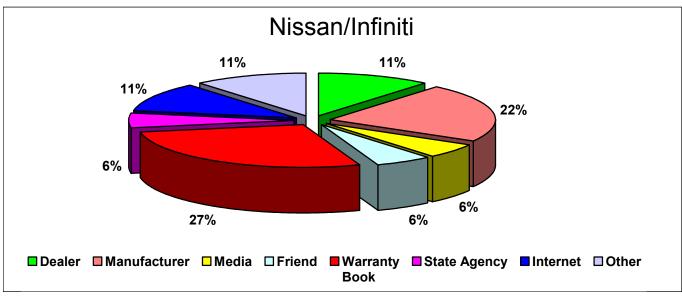


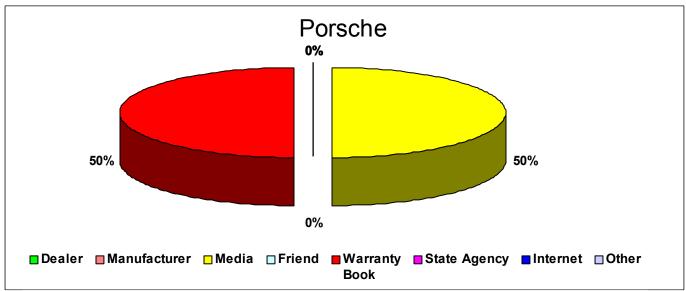


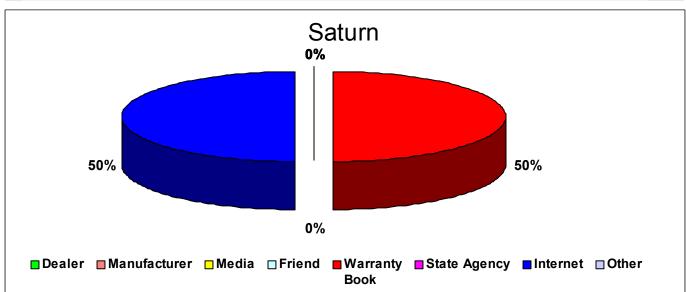


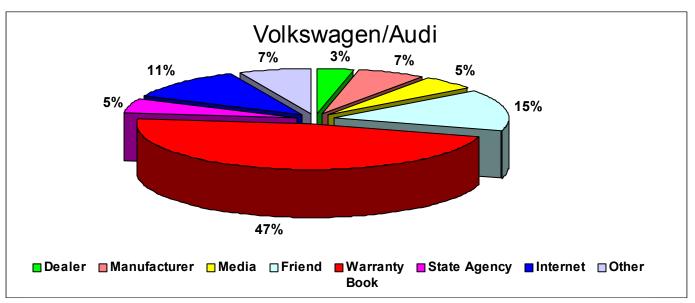


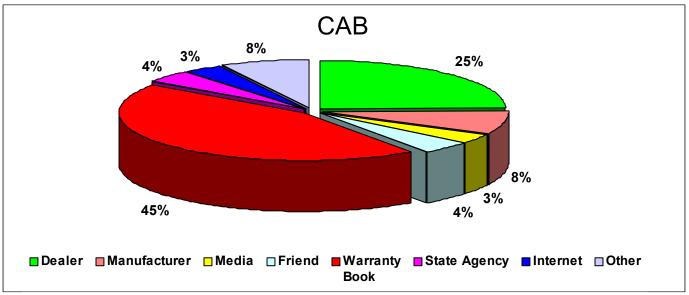


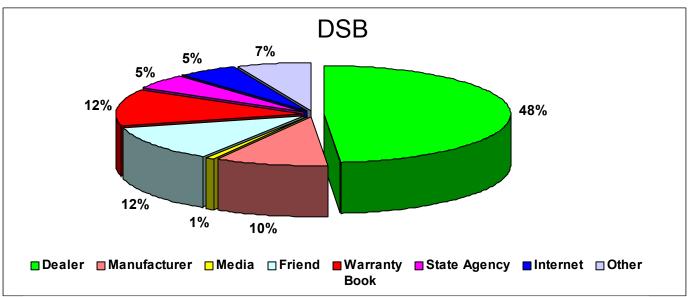


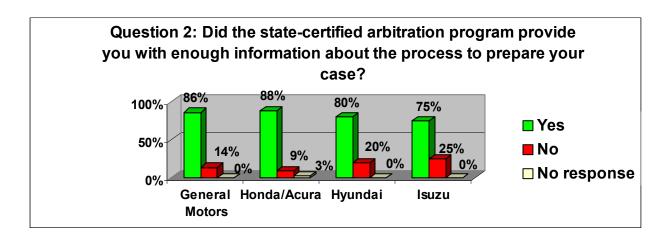


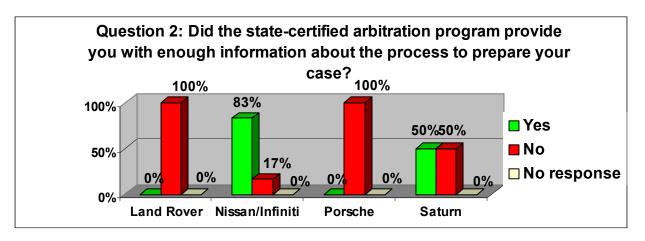


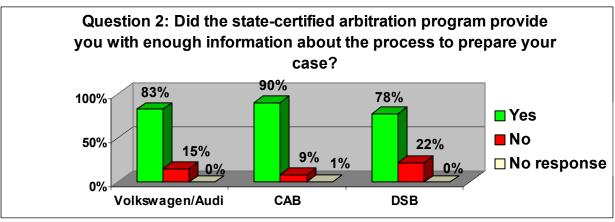


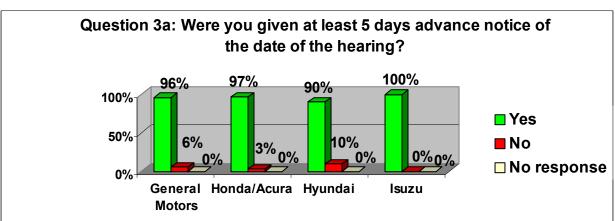


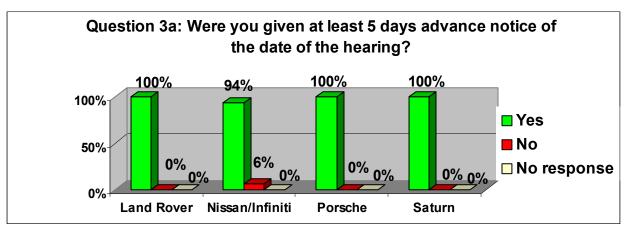


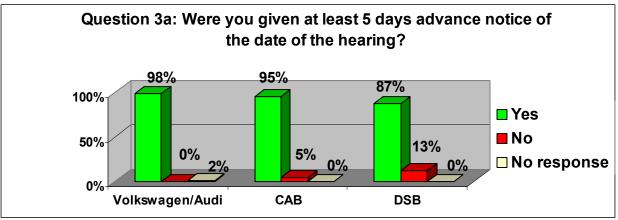


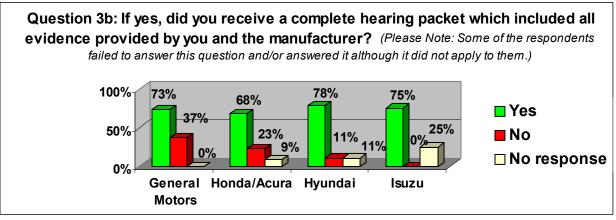


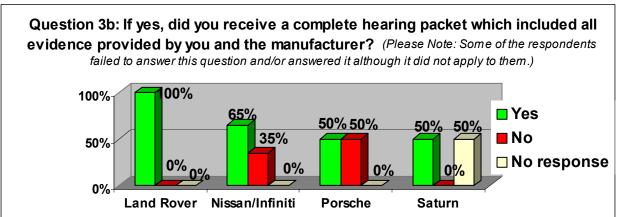


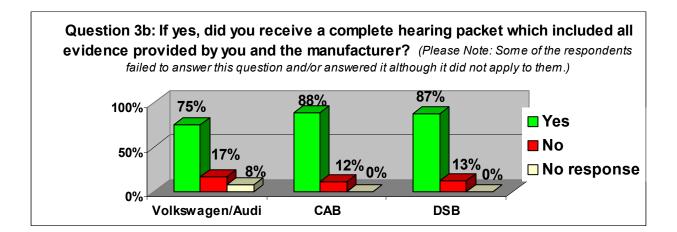


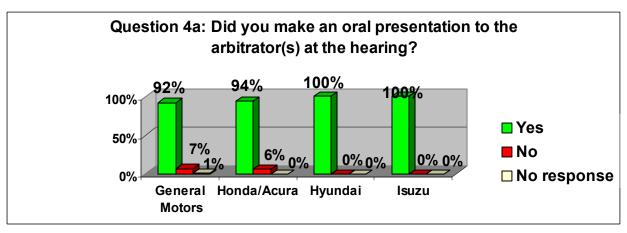


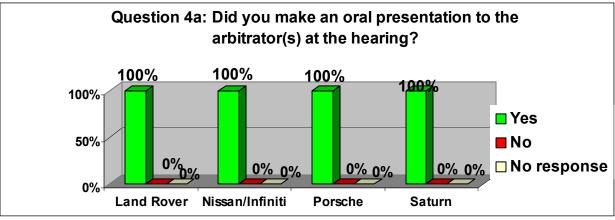


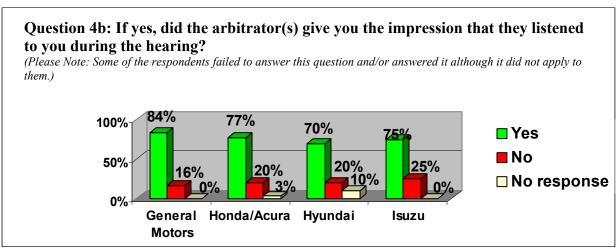


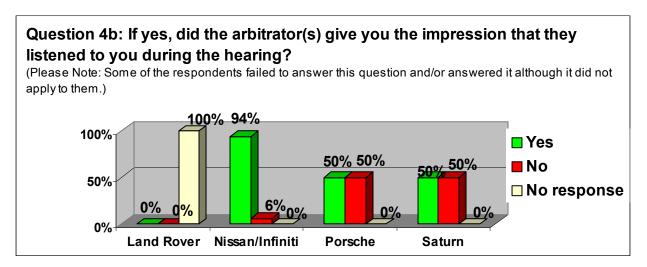


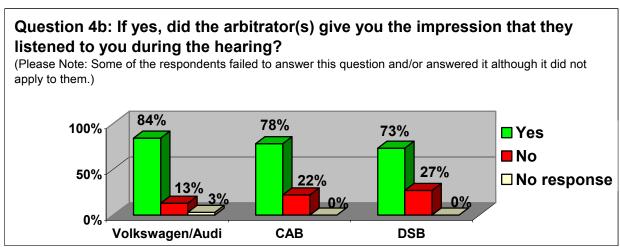


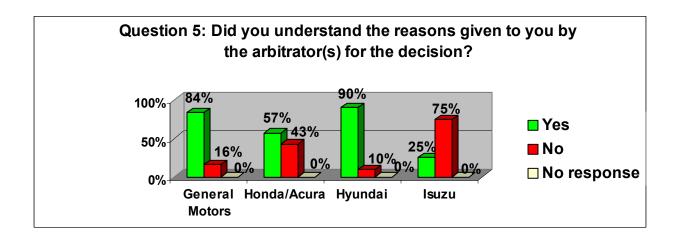


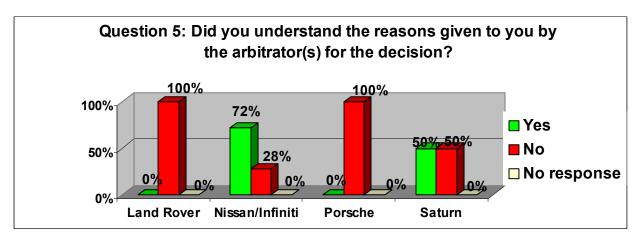


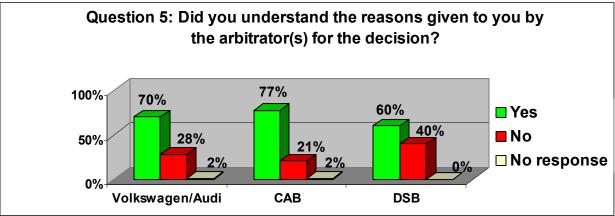


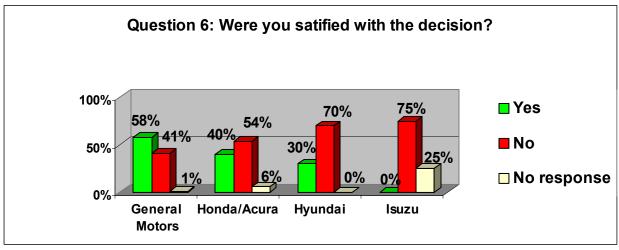


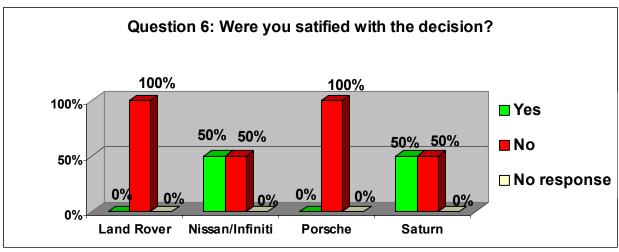


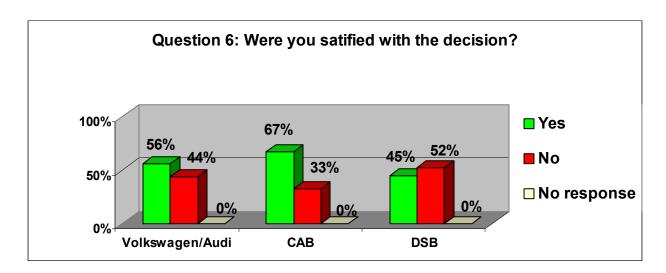


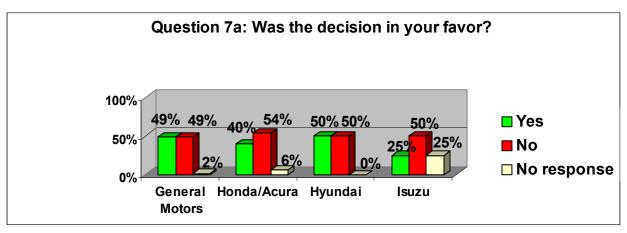


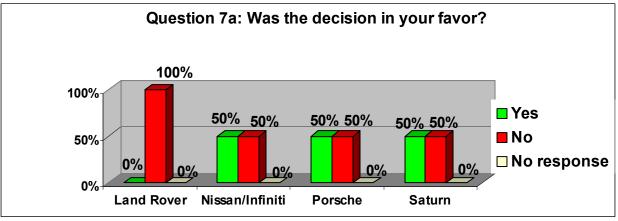


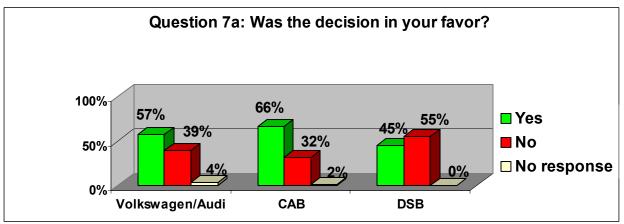


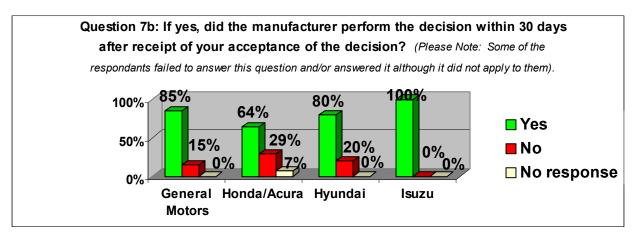


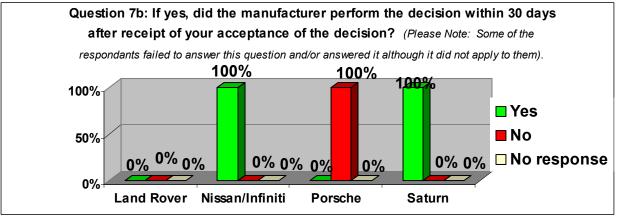


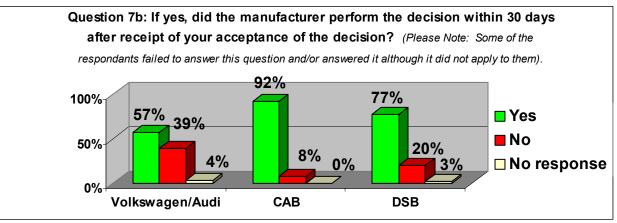


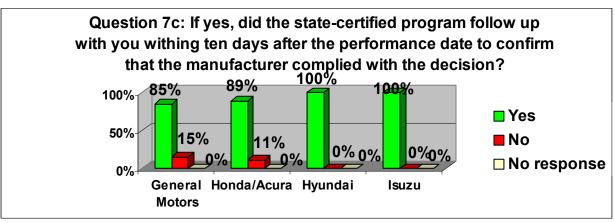


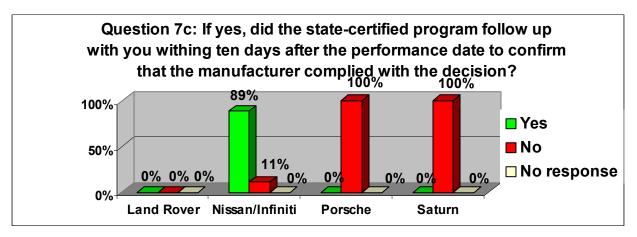


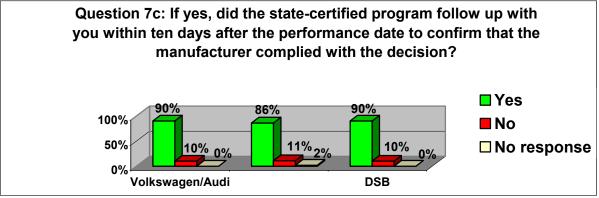


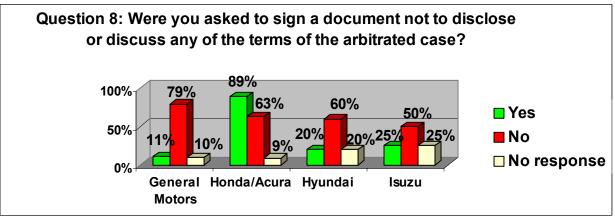


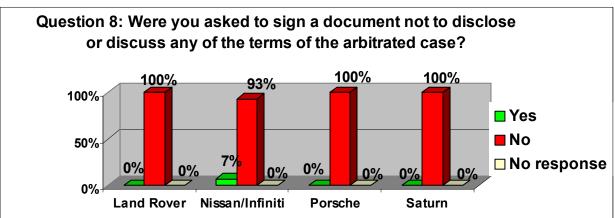


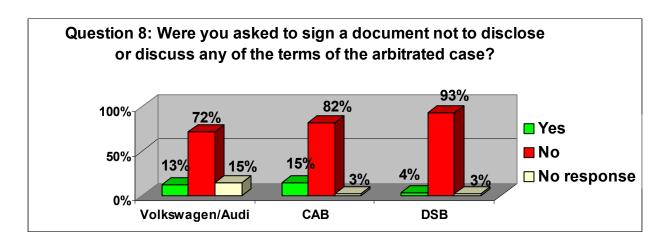


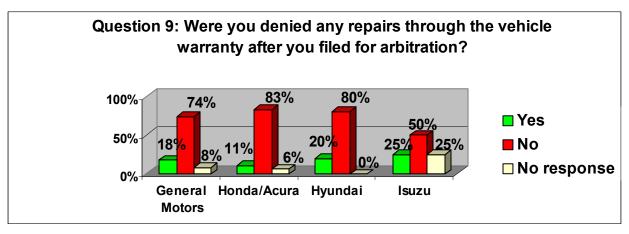


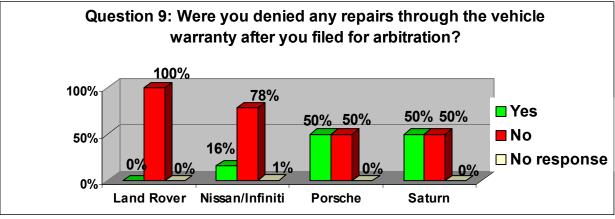


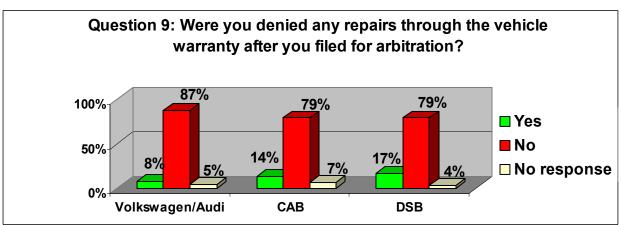


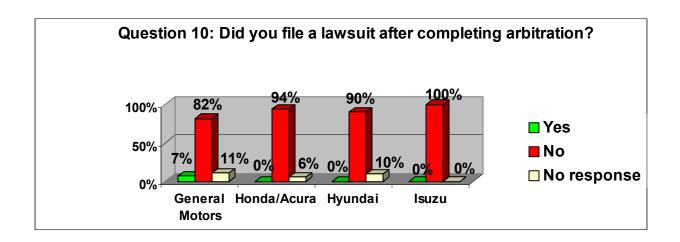


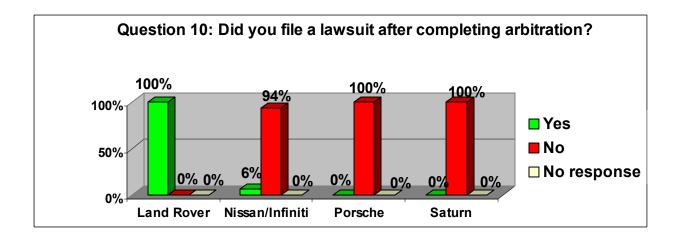


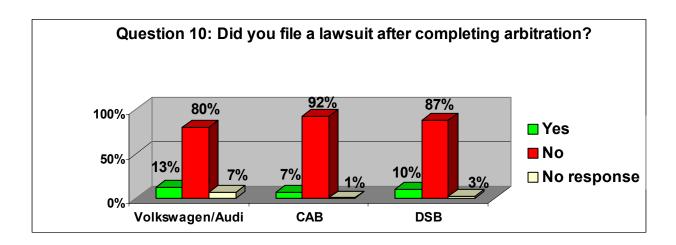












# 11. Please tell us how you think the arbitration process and/or the arbitration program (BBB, CAB or DSB) could be improved:

### **General Motors:**

Of the 733 surveys sent out to consumers who went through arbitration using the BBB AUTO LINE, there were 217 respondents (30%). 23% of these respondents first learned about the BBB AUTO LINE from their new car warranty booklets. 106 (49%) reported receiving decisions in their favor, and 107 (49%) reported receiving unfavorable decisions; 2% did not provide a response to the question. 125 (58%) consumers reported satisfaction with their decision, in contrast to 91 (41%) who reported dissatisfaction with their decisions.

Of the respondents who received favorable decisions, 85% reported that the manufacturer performed the decisions within 30 days after the receipt of their acceptances of the decisions, and 15% reported that the manufacturer exceeded 30 days. Only 7% reported that they filed lawsuits after completing arbitration. 167 (77%) respondents provided additional comments about how they think the BBB AUTO LINE could be improved.

The following are comments offered by consumers who received favorable decisions:

- Very smooth and easy process
- It was excellent
- Case handled very professionally
- Very fair process
- There was a delay in my decision
- Arbitrators should not be biased towards the manufacturers
- Provide consumers with more information about the process

The following comments were offered by consumers who received unfavorable decisions:

- Biased towards the manufacturer
- The process was a joke
- It was a waste of time
- Arbitrators should have knowledge about cars
- I would recommend the process to others, even though I am not satisfied with my decision

#### Honda/Acura:

Of the 83 surveys sent out to consumers who went through arbitration using the BBB AUTO LINE, there were 35 respondents (42%). Most of these respondents first learned about the BBB AUTO LINE from a friend (23%), and car dealers (20%). 14 (40%) reported receiving decisions in their favor, and 19 (54%) reported receiving unfavorable decisions; 6% did not provide a response to the question. 14 (40%) consumers reported satisfaction with their decision, in contrast to 21 (60%) who reported dissatisfaction with their decisions. Of the respondents who received favorable decisions, 64% reported that the manufacturer performed the decisions within 30 days after the receipt of their acceptances of the decisions, and 29% reported that the manufacturer exceeded 30 days; 7% did not respond to the question. No respondents reported filing lawsuits after completing arbitration. 25 (77%) respondents provided additional comments about how they think the BBB AUTO LINE could be improved.

The following are comments offered by consumers who received favorable decisions:

- Very professional and helpful staff
- I was very satisfied with the whole process
- Schedule hearings closer to consumer's home

The following comments were offered by consumers who received unfavorable decisions:

- Arbitrators appear to be biased towards the manufacturer
- Schedule more convenient locations for hearings
- Arbitrators need to consider all of the information
- Decisions should be written more clearly

## Hyundai:

Of the 54 surveys sent out to consumers who went through arbitration using the BBB AUTO LINE, there were 10 respondents (19%). The majority (50%) of these respondents first learned about the BBB AUTO LINE from their new car warranty booklets. 5 (50%) reported receiving decisions in their favor, and 5 (50%) reported receiving unfavorable decisions. 30% of consumers reported satisfaction with their decision, in contrast to 70% who reported dissatisfaction with their decisions. Of the respondents who received favorable

decisions, 80% reported that the manufacturer performed the decisions within 30 days after the receipt of their acceptances of the decisions.

No respondents reported filing lawsuits after completing arbitration. 7 (70%) respondents provided additional comments about how they think the BBB AUTO LINE could be improved.

The following are comments offered by consumers who received favorable decisions:

- No changes needed, I would recommend the BBB to others
- Make people more aware of your program
- I would recommend the BBB process to others, but I felt the arbitrators lean towards the manufacturer

Conversely, the following comments were offered by consumers who received unfavorable decisions:

- The process was biased towards the manufacturer
- Arbitrators should consider all evidence provided

#### Isuzu:

Of the 22 surveys sent out to consumers who went through arbitration using the BBB AUTO LINE, there were 4 respondents (18%). A majority (50%) of the respondents first learned about the BBB AUTO LINE from their new car warranty booklet. One respondent (25%) reported receiving a decision that was in his or her favor, two (50%) reported receiving unfavorable decisions, and one respondent did not answer the question. Three of the respondents reported being satisfied with their decisions, and one was unresponsive to the question. The respondent who received the favorable decision reported that the manufacturer performed the decision within 30 days after the receipt of their acceptance of the decision. Three respondents reported that they did understand the reasons given to them by the arbitrator(s) for the decision. No respondent filed a lawsuit after completing arbitration. When asked what they think about the arbitration process and/or how the BBB AUTO LINE could be improved, four respondents offered additional comments.

The respondent who received a favorable decision stated, "I was very satisfied with the entire process; very clear and exact."

Conversely, the following comments were offered by consumers who received unfavorable decisions:

- Look more closely into the problems cars are having, and times they are taken to the dealer
- I would recommend the BBB process to others; at least they can try
- I am very unhappy with this program

## Land Rover:

Of the 10 surveys sent out to consumers who went through arbitration using the BBB AUTO LINE, there was 1 respondent (10%). The respondent first learned about the BBB AUTO LINE from his or her new car warranty booklet. The respondent reported receiving a decision that was not in their favor, and was dissatisfied with the decision. The respondent reported that they did not understand the reasons given to them by the arbitrator for the decision. The respondent reported that they filed a lawsuit after completing arbitration. When asked what they think about the arbitration process and/or how the BBB AUTO LINE could be improved, the consumer stated, "It's unfair because the manufacturer pays you (the program)!"

## Nissan/Infiniti:

Of the 102 surveys sent out to consumers who went through arbitration using the BBB AUTO LINE, there were 18 respondents (18%). 28% of these respondents first learned about the BBB AUTO LINE from their new car warranty booklets. 9 (50%) reported receiving decisions in their favor, and 9 (50%) reported receiving unfavorable decisions. 9 (50%) consumers reported satisfaction with their decision, in contrast to 9 (50%) who reported dissatisfaction with their decisions. Of the respondents who received favorable decisions, 100% reported that the manufacturer performed the decisions within 30 days after the receipt of

their acceptances of the decisions. Only 6% reported that they filed lawsuits after completing arbitration. 11 (61%) respondents provided additional comments about how they think the BBB AUTO LINE could be improved.

The following are comments offered by consumers who received favorable decisions:

- All parties should be required to appear in person
- The entire process was very professional and fair
- Highly recommend this process for consumers to uphold their rights and be heard

The following comments were offered by consumers who received unfavorable decisions:

- The process was biased towards the manufacturer
- Arbitrators should consider all evidence provided

## **Porsche:**

Of the 18 surveys sent out to consumers who went through arbitration using the BBB AUTO LINE, there were 2 respondents (11%). The respondents first learned about the BBB AUTO LINE from the media and their new car warranty booklet. One respondent reported being receiving a decision that was in his or her favor, but was not satisfied with the decision, and the other was dissatisfied receiving an unfavorable decision. The respondent who received the favorable decision reported that the manufacturer did not perform the decision within 30 days after the receipt of their acceptance decision. Both respondents reported that they did not understand the reasons given to them by the arbitrator(s) for the decision. Neither respondent filed a lawsuit after completing arbitration. Both respondents reported that they would not recommend the BBB process to others.

#### Saturn:

Of the 8 surveys sent out to consumers who went through arbitration using the BBB AUTO LINE, there were 2 respondents (25%). The respondents first learned about the BBB AUTO LINE from the internet and his or her new car warranty booklet. One respondent reported being satisfied with receiving a decision that was in his or her favor, and the other was dissatisfied receiving an unfavorable decision. The respondent who received the favorable decision reported that the manufacturer performed the decision within 30 days after the receipt of their acceptance decision. The respondent receiving the unfavorable decision reported that he or she did not understand the reasons given to them by the arbitrator(s) for the decision. Neither respondent filed a lawsuit after completing arbitration. When asked what they think about the arbitration process and/or how the BBB AUTO LINE could be improved, the respondent who received the unfavorable decision stated, "Get the BBB out of the process. Their interest is not with the consumer." There was no statement offered by the other respondent.

## Volkswagen/Audi:

Of the 202 surveys sent out to consumers who went through arbitration using the BBB AUTO LINE, there were 61respondents (30%). A majority (47%) of these respondents first learned about the BBB AUTO LINE from their new car warranty booklets. 35 (57%) reported receiving decisions in their favor, and 24 (39%) reported receiving unfavorable decisions; 4% did not provide a response to the question. 34 (56%) consumers reported satisfaction with their decision, in contrast to 27 (44%) who reported dissatisfaction with their decisions. Of the respondents who received favorable decisions, 83% reported that the manufacturer performed the decisions within 30 days after the receipt of their acceptances of the decisions, and 17% reported that the manufacturer exceeded 30 days. 13% reported that they filed lawsuits after completing arbitration. 40 (66%) respondents provided additional comments about how they think the BBB AUTO LINE could be improved.

The following are comments offered by consumers who received favorable decisions:

• I was very satisfied with the whole process

- An excellent way of assisting consumers who would otherwise get stuck with a defective car, and still pay for it
- BBB staff was very professional
- Smooth, easy process
- Must strengthen post-hearing enforcement of decision
- Unhappy with person who was assigned to my case; made the process more difficult
- The arbitrators need more training in order for the process to be more effective

The following comments were offered by consumers who received unfavorable decisions:

- Biased towards the manufacturer
- The arbitrator would not drive my vehicle, therefore he did not fully witness the problem with my car
- Choose unbiased arbitrators
- I was disheartened by the arbitration process, and think it was a waste of my time
- Arbitrators should review and understand all of the facts presented
- Process is too long
- Arbitrators should have knowledge about automobiles
- I would recommend to others even though I am not happy with my outcome

### CAB:

Of the 290 surveys that were sent to consumers who utilized CAB in 2002, 123 (42%) responded. A majority of 42% of the consumers first learned of the program from their warranty booklets. Of the 123 respondents, 66% had received favorable decisions; and 32% had received unfavorable decisions (2% did not respond to the question). 67% of consumers were satisfied with their decision in contrast to 33% who were not. Of the 43% of consumers who made an oral presentation to the arbitrator(s) at the hearing, 78% were given the impression that they were heard by the arbitrator(s).

There were 97 (79%) respondents who offered additional written comments about how they think the arbitration process could be improved. The following comments were offered by consumers who received favorable decisions:

- I would definitely recommend the process to others
- I am pleased with the professional manner in which my case was handled
- I had to call to make sure the arbitration personnel followed up to finalize the decision with the dealer
- I was very satisfied with the speed of the process
- Board should allow more time for oral presentation
- The arbitration board needs to listen more carefully to the consumers

## Other comments offered were:

I am grateful CAB is in place, it was a very easy process, very helpful program; gives consumers a voice, let people know the program exists, warranty should be paid in full, not prorated, and hearings should be scheduled closer to consumer's home.

The following comments were offered by consumers who received unfavorable decisions:

- The board seems to be biased towards the manufacturer
- Arbitrators should listen more carefully to what the consumers have to say
- Hearings should be scheduled closer to the consumer's home
- Arbitrators should have knowledge about how a car should properly run

## Other comments offered were:

There were things I didn't understand about the process; more information should be given to the consumer, I think the decision was wrong, arbitration board for Chrysler should be shut down, satisfied with the process, but dissatisfied with the results, and a total waste of time.

#### DSB:

Of the 953 surveys sent to consumers who utilized the Dispute Settlement Board in 2002, a total of 285 (30%) consumers responded. A majority of 50% of the respondents first learned about the DSB from car dealerships. Of the 285 respondents, 133 (47%) reported receiving favorable decisions, and 149 (52%) reported receiving unfavorable decisions. Of the 133 respondents who received favorable decisions, 103 (76%) reported that the manufacturer performed the decision within 30 days, and 28 (21%) reported that the manufacturer did not perform the decision within 30 days. 129 (45%) of respondents were satisfied with their decisions, and 159 (56%) were unsatisfied. 162 (57%) respondents made oral presentations at the hearing, and 123 (43%) did not.

There were 282 (79%) respondents who offered additional written comments about how they think the arbitration process could be improved. 48% of the comments were from respondents who received favorable decisions, and 52% were comments from respondents who received unfavorable decisions.

The following comments were offered by respondents who received favorable decisions:

- I would definitely recommend it to others
- I was very satisfied with the process
- The DSB should make sure the manufacturer performs within 30 days
- The process was very fair

Conversely, when asked how they think the arbitration process could be improved, respondents who received unfavorable decisions offered the following comments:

- I would not recommend the DSB to others
- The Board seems biased towards the manufacturer
- The arbitrators need to take into account all of the information given to them
- Decisions need to be more clear
- Process was a waste of time
- Hearings are located too far away